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Biotech firm opens

Alexion Pharmaceuticals cuts the ribbon on its first manufacturing plant at its Smithfield facility.

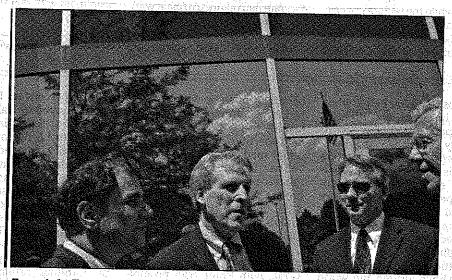
BY BENJAMIN N. GEDAN

JOURNAL STAFF WRITER

SMITHFIELD — In the five years since California pharmaceutical giant Amgen Inc. opened a plant here, the state's biotechnology sector has not rapidly expanded, despite cheerleading of the industry by state officials.

But in his first public speech since Alexion Pharmaceuticals announced plans to begin operations in Smithfield, the company's president and chief operating officer, David W. Keiser, said yesterday that he expects the industry to grow in Rhode Island.

SEE ALEXION. F2



From left, Economic Development Corporation executive director Saul Kaplan, David Keiser, senior director Jim Rich and Governor Carcieri.

Alexion

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"If the industry is doing well," Keiser said in an interview at a ceremony celebrating the opening of Alexion's first ever manufacturing plant. "You have better access to good people."

The ceremony was held at the former Dow Chemical plant, in which Alexion invested about \$47 million to set up its facility.

The state already has a strong supply of labor for biotechnology firms, Keiser said, despite its failure to develop a high-tech corridor to compete with Route 128 outside Boston or Kendall Square in Cambridge, Mass., near the Massachusetts Institute of Technology.

The 11-year old Alexion, based in Cheshire, Conn., has hired more than 100 employees for its new plant, including about 35 scientists

M. Stacy Hooks, Alexion's vice president of manufacturing, said a job fair in February at the Providence Marriott helped the company recruit most of its Rhode Island work force.

But Alexion also worked with the University of Rhode Island and the Community College of Rhode Island, developing a curriculum to help train quality-control specialists and manufacturing personnel, Hooks said.

It poached some of its new employees from Massachusetts firms, luring them with the promise of an easier commute and slower lifestyle, Hooks said.

But two-thirds of the employees are Rhode Island residents, and about one-third are recent graduates of state colleges, according to Saul Kaplan, the head of the state Economic Development Corporation.

"We found this a very good market," Hooks said in an interview yesterday. "This was a much easier time than I found in other places."

Rhode Island faces intense competition in its campaign to attract biotechnology firms.

Last month, as Governor Carcieri promoted the industry in Boston at the annual Bio International Convention, representatives from dozens of other states and countries were making similar pitches in the cavernous convention hall.

Speaking at the Alexion ceremony yesterday, Carcieri, who has long called Amgen a symbol of the state's burgeoning "innovation economy," appeared overjoyed to be welcoming a second public biopharmaceutical company.

"Manufacturing has been under lots of pressure," Carcieri said. "One of the bright spots," he added, "is the biotechnology industry. This is the future."

For now, Alexion will still rely on a contract laboratory in New Hampshire to produce Soliris, a drug designed to treat a rare blood disorder that destroys red blood cells.

The company says it hopes to earn approval from the U.S. Food and Drug Administration to produce the drug in Smithfield by late fall

It is also awaiting approval from European regulatory agencies to sell Soliris in 29 countries across the Atlantic.

In anticipation of that ruling, the company has formed subsidiaries in England, Germany, France, Italy and Spain, Keiser said after delivering brief remarks and then treating dozens of employees to a champagne toast with baconwrapped scallops, stuffed mushrooms and chocolate-dipped strawberries.

The company stock — traded on Nasdaq under the ticker symbol ALXN — closed yesterday at \$46.33, down 37 cents for the day but up 47 percent from last August.

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